



**UNITED STATES DISTRICT COURT
DISTRICT OF NEW HAMPSHIRE**

SECURITIES AND EXCHANGE)
COMMISSION,)
Plaintiff,)
v.)
LBRY, INC.,) Civil Action No. 21-cv-00260-PB
Defendant.)
)

DECLARATION OF MARINA MARTYNOVA

I, Marina Martynova, declare as follows:

1. I am a Financial Economist in the Office of Litigation Economics in the Division of Economic and Risk Analysis at the U.S. Securities and Exchange Commission (“SEC”). In this role, I assist the SEC in its enforcement investigations and actions through economic and quantitative analysis and research. I am also an Adjunct Professor at Georgetown University, where I teach a course on financial markets to graduate students.

2. I hold a Ph.D. in Finance from Tilburg University in the Netherlands and an M.A. in Economics from the Center for Economic Research and Graduate Education of Charles University and Economics Institute (“CERGE-EI”) in the Czech Republic.

3. I began working at the SEC in September 2016. Before joining the SEC, I worked as a financial consultant at Cornerstone Research, an Assistant Professor of Finance at Sheffield University Management School in the U.K., and a Lecturer and Research Fellow at Tilburg University. I also participated in consulting research projects for the Dutch Ministry of Finance and the European Commission.

4. Counsel for the SEC in this case requested I locate any literature concerning analyzing blockchain transactions data for the purpose of determining the utility of cryptocurrencies' native applications.

5. In response, I reviewed the reports and accompanying documents and exhibits submitted by Dr. Boris Richard, LBRY's proffered expert. I then searched for articles related to analyzing blockchain transactions data for the purpose of determining the utility of cryptocurrencies' native applications.

6. I searched the following sources:

- a. Google Scholar (<https://scholar.google.com/>), which contains an extensive library of peer-reviewed academic articles, books, and other scholarly literature. It is the primary source I use to review literature related to my own research.
- b. SSRN.com (<https://www.ssrn.com/index.cfm/en/cryptocurrency/>), which contains an extensive library of working papers that researchers and academic scholars make publicly available before publication in peer-reviewed journals and books.
- c. The Journal of Finance website (<https://afajof.org/journal-of-finance/>), which publishes leading research across all the major fields of finance and is the official publication of The American Finance Association. The American Finance Association is the premier academic organization devoted to the study and promotion of knowledge about financial economics. The journal's website includes all published and forthcoming articles in the journal.
- d. Websites that post industry analysis and commentary on cryptocurrencies such as CryptoCompare.com, Chainalysis.com, Blockchain-council.org, and Crypto.com.

7. Using the following keyword search phrases listed below either singularly or in combination, I did not find any academic, scientific, or industry literature that uses or advocates the methodology Dr. Richard used to render his opinions, including his methodology's assumption that on-chain volume can be considered as a reasonable proxy for the utility of cryptocurrencies' native applications.

a. **Keyword Search Phrases**

- On-chain transactions/trading/use/investment
- Off-chain transactions/trading/use/investment
- On-chain volume
- On-chain/blockchain vs off-chain
- On-chain/blockchain vs off-chain trading volume
- On-chain/blockchain vs exchange transactions/trading
- Cryptocurrency native use/applications
- Cryptocurrency utility value applications
- Cryptocurrency applications
- Measuring cryptocurrency native usage/applications
- Proxy for cryptocurrency native usage/applications
- Who trades on-chain vs off-chain

8. During my search of various websites, I located the three following web posts/articles that discuss examples of blockchain data features that would make the methodology Dr. Richard used to render his opinions impractical:

- a. <https://blog.chainalysis.com/reports/bitcoin-addresses/>
- b. <https://blog.chainalysis.com/reports/bitcoin-market-data-exchanges-trading/>
- c. <https://www.blockchain-council.org/blockchain/crypto-off-chain-vs-on-chain/>

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on July 18, 2022.

/s/ Marina Martynova

Marina Martynova